

SERFF Tracking Number: ARKS-125581110 State: Arkansas
Filing Company: 00006 - INSURANCE SERVICES OFFICE, INC. State Tracking Number: #104793 \$200
Company Tracking Number: BP-2008-OTOAP
TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0002 Businessowners
Liability
Product Name: Businessowners Program
Project Name/Number: /

Filing at a Glance

Company: 00006 - INSURANCE SERVICES OFFICE, INC.

Product Name: Businessowners Program SERFF Tr Num: ARKS-125581110 State: Arkansas
TOI: 05.0 Commercial Multi-Peril - Liability & Non-Liability SERFF Status: Closed State Tr Num: #104793 \$200
Sub-TOI: 05.0002 Businessowners Co Tr Num: BP-2008-OTOAP State Status: Fees verified and received

Filing Type: Form Co Status: Reviewer(s): Betty Montes,
Llyweyia Rawlins, Brittany Yielding
Author: Disposition Date: 04/03/2008
Date Submitted: 03/26/2008 Disposition Status: Filed
Effective Date Requested (New): 08/01/2008 Effective Date (New): 08/01/2008
Effective Date Requested (Renewal): 08/01/2008 Effective Date (Renewal): 08/01/2008

State Filing Description:

General Information

Project Name: Status of Filing in Domicile: Pending
Project Number: Domicile Status Comments:
Reference Organization: Not Applicable Reference Number:
Reference Title: Not Applicable Advisory Org. Circular:
Filing Status Changed: 04/03/2008
State Status Changed: 04/03/2008 Deemer Date:
Corresponding Filing Tracking Number:
Filing Description:

Company and Contact

Filing Contact Information

SERFF Tracking Number: ARKS-125581110 State: Arkansas
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Liability
Product Name: Businessowners Program
Project Name/Number: /

NA NA, NA@NA.com
NA (123) 555-4567 [Phone]
NA, AR 00000

Filing Company Information

00006 - INSURANCE SERVICES OFFICE, CoCode: 6 State of Domicile: Arkansas
INC.
No Address Group Code: Company Type:
City, AR 99999 Group Name: State ID Number:
(999) 999-9999 ext. [Phone] FEIN Number: 99-9999999

SERFF Tracking Number:	ARKS-125581110	State:	Arkansas
Filing Company:	00006 - INSURANCE SERVICES OFFICE, INC.	State Tracking Number:	#104793 \$200
Company Tracking Number:	BP-2008-OTOAP		
TOI:	05.0 Commercial Multi-Peril - Liability & Non- Liability	Sub-TOI:	05.0002 Businessowners
Product Name:	Businessowners Program		
Project Name/Number:	/		

Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	
Per Company:	No

SERFF Tracking Number: ARKS-125581110 State: Arkansas
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Liability
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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Llyweyia Rawlins	04/03/2008	04/03/2008

SERFF Tracking Number:	ARKS-125581110	State:	Arkansas
Filing Company:	00006 - INSURANCE SERVICES OFFICE, INC.	State Tracking Number:	#104793 \$200
Company Tracking Number:	BP-2008-OTOAP		
TOI:	05.0 Commercial Multi-Peril - Liability & Non-Sub-TOI:		05.0002 Businessowners Liability
Product Name:	Businessowners Program		
Project Name/Number:	/		

Disposition

Disposition Date: 04/03/2008
Effective Date (New): 08/01/2008
Effective Date (Renewal): 08/01/2008
Status: Filed
Comment:

Rate data does NOT apply to filing.

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Filed	Yes
Supporting Document	ARKS-125581110		Yes

SERFF Tracking Number:	ARKS-125581110	State:	Arkansas
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Product Name:	Businessowners Program		
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Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: ARKS-125581110 State: Arkansas
Filing Company: 00006 - INSURANCE SERVICES OFFICE, INC. State Tracking Number: #104793 \$200
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TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0002 Businessowners
Liability
Product Name: Businessowners Program
Project Name/Number: /

Supporting Document Schedules

Review Status:

Satisfied -Name: ARKS-125581110

04/03/2008

Comments:

Attachment:

ARKS-125581110.pdf

CH# 104793

\$ 200

ARMS-125581110

CR



2828 E. TRINITY MILLS ROAD SUITE 150 CARROLLTON, TX 75006
TEL: (214) 390-1825 FAX: (214) 390-1975

Kenneth J. Hill, CPCU
Regional Director, Government Relations

March 21, 2008

Honorable Julie Benafield Bowman
Commissioner of Insurance
Arkansas Insurance Department
1200 West Third Street
Little Rock, Arkansas 72201-1904

RECEIVED

MAR 26 2008

**PROPERTY AND CASUALTY DIVISION
ARKANSAS INSURANCE DEPARTMENT**

Attention: William R. Lacy, Director
Property and Casualty Division

RE: Insurance Services Office, Inc.
BP 2008-OTOAP
Businessowners
Other Acts Of Terrorism Endorsements Revised and Withdrawn
State of Arkansas

Dear Mr. Lacy:

On behalf of those participating insurers that have authorized Insurance Services Office, Inc. to do so, we hereby file the captioned filing.

It is proposed that this revision will become effective in accordance with the following rule of application:

These changes are applicable to all policies written on or after August 1, 2008.

Companion rules filing BP 2008-RTOAP is also submitted today under separate cover.

Please return an acknowledged copy of this cover letter for our records. An addressed, stamped envelope is enclosed for your convenience. We have also included an additional copy of this letter and envelope; we request that you return it now with a "received" stamp to confirm that you have received the filing.

Very truly yours,

Donald J. Beckel, CPCU, ARM
Assistant Regional Manager
Government Relations

DJB:dlb
Encl.

**Approved until withdrawn
or revoked**

APR 03 2008

Arkansas Insurance Department

By: *LK-Filed*

Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only Approved until withdrawn or revoked APR 03 2008 Arkansas Insurance Department By: <i>RK-Filed</i>	2. Insurance Department Use only	
	a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: New Business Renewal Business f. State Filing #: g. SERFF Filing #: h. Subject Codes	

3. Group Name		Group NAIC #	
4. Company Name(s)		Domicile	NAIC #
Insurance Services Office, Inc.	DE		FEIN # 13-3131412
			State #

RECEIVED

MAR 26 2008

5. Company Tracking Number	BP-2008-OTOAP	PROPERTY AND CASUALTY DIVISION ARKANSAS INSURANCE DEPARTMENT
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6. Name and address	Title	Telephone #s	FAX #	e-mail
Donald J. Beckel Insurance Services Office, Inc. 2828 E. Trinity Mills Rd., Ste. 150 Carrollton, TX 75006	Asst. Regional Manager	(214) 390-1825 Ext. 224	(214) 390-1975	DHECKEL@iso.com
7. Signature of authorized filer		<i>Donald J. Beckel</i>		
8. Please print name of authorized filer		Donald J. Beckel		

Filing information (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	5.0000
10. Sub-Type of Insurance (Sub-TOI)	5.0002
11. State Specific Product code(s) (if applicable) [See State Specific Requirements]	NA
12. Company Program Title (Marketing title)	Businessowners Program
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: 8/1/08 Renewal: 8/1/08
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16. Reference Organization (if applicable)	Not Applicable
17. Reference Organization # & Title	Not Applicable
18. Company's Date of Filing	3/21/08
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document---

20.	This filing transmittal is part of Company Tracking #	BP-2008-OTOAP
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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This filing revises certain terrorism endorsements, and withdraws others, in response to the Terrorism Risk Insurance Program Reauthorization Act of 2007.

22.	Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
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Check #: 104793
Amount: \$ 200.00

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

*****Refer to each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

Effective March 1, 2007

FORM FILING SCHEDULE

(This form must be provided **ONLY** when making a filing that includes forms)
(Do not refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of ISO File Number	BP-2008-OTOAP			
2.	This filing corresponds to ISO loss cost/rule File # <small>(ISO file number of loss cost/rule filing, if applicable)</small>	BP-2008-RTOAP			
3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Exclusion Of Other Acts Of Terrorism Committed Outside The United States; Cap On Losses From Certified Acts Of Terrorism	BP 05 38 06 08	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	BP 05 38 12 02	
02	Exclusion Of Other Acts Of Terrorism Committed Outside The United States	BP 05 41 06 08	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	BP 05 41 12 02	
03	Exclusion Of Certified Acts And Other Acts Of Terrorism Involving Nuclear, Biological Or Chemical Terrorism; Cap On Covered Certified Acts Losses	BP 05 28 12 03	<input type="checkbox"/> New <input type="checkbox"/> Replacement <input checked="" type="checkbox"/> Withdrawn		
04	Limitations Of Coverage For Certified Acts And Other Acts Of Terrorism	BP 05 29 12 03	<input type="checkbox"/> New <input type="checkbox"/> Replacement <input checked="" type="checkbox"/> Withdrawn		
05	Limited Exclusion Of Acts Of Terrorism (Other Than Certified Acts Of Terrorism); Cap On Losses From Certified Acts Of Terrorism	BP 05 30 11 02	<input type="checkbox"/> New <input type="checkbox"/> Replacement <input checked="" type="checkbox"/> Withdrawn		
06	Exclusion Of Acts Of Biological Or Chemical Terrorism; Cap On Losses From Certified Acts Of Terrorism	BP 05 31 11 02	<input type="checkbox"/> New <input type="checkbox"/> Replacement <input checked="" type="checkbox"/> Withdrawn		
07	Exclusion Of Certified Acts And Other Acts Of Terrorism	BP 05 32 05 05	<input type="checkbox"/> New <input type="checkbox"/> Replacement <input checked="" type="checkbox"/> Withdrawn		
08	Exclusion Of Certified Acts Of Terrorism And Biological Or Chemical Acts Of Terrorism	BP 05 33 05 05	<input type="checkbox"/> New <input type="checkbox"/> Replacement <input checked="" type="checkbox"/> Withdrawn		
09	Nuclear, Biological Or Chemical Terrorism Exclusion (Other Than Certified Acts Of Terrorism); Cap On Losses From Certified Acts Of Terrorism	BP 05 39 12 02	<input type="checkbox"/> New <input type="checkbox"/> Replacement <input checked="" type="checkbox"/> Withdrawn		

FORM FILING SCHEDULE (cont.)

State: ARKANSAS

ISO File Number: BP-2008-OTOAP

Page 2 of 2

[illegible]

Other Acts Of Terrorism Endorsements Revised And Withdrawn

About This Filing

This filing revises certain terrorism endorsements, and withdraws others, in response to enactment of the Terrorism Risk Insurance Program Reauthorization Act of 2007.

Revised Forms

We are revising the following endorsements:

- ♦ **BP 05 38 12 02** Exclusion Of Other Acts Of Terrorism Committed Outside The United States; Cap On Losses From Certified Acts Of Terrorism
[revised title conforms to the new edition **BP 05 38 06 08**]
- ♦ **BP 05 41 12 02** Exclusion Of Certified Acts Of Terrorism And Exclusion Of Other Acts Of Terrorism Committed Outside The United States
[revised title conforms to the new edition **BP 05 41 06 08**]

We have used a format of ~~striking through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate changes from the current editions to the 06 08 editions. Concurrent with implementation, the 06 08 editions will supersede the prior editions.

Withdrawn Forms

We are withdrawing the following endorsements:

- ♦ **BP 05 28 12 03** Exclusion Of Certified Acts And Other Acts Of Terrorism Involving Nuclear, Biological Or Chemical Terrorism; Cap On Covered Certified Acts Losses
- ♦ **BP 05 29 12 03** Limitations Of Coverage For Certified Acts And Other Acts Of Terrorism
- ♦ **BP 05 30 11 02** Limited Exclusion Of Acts Of Terrorism (Other Than Certified Acts Of Terrorism); Cap On Losses From Certified Acts Of Terrorism

- ◆ **BP 05 31 11 02** Exclusion Of Acts Of Biological Or Chemical Terrorism; Cap On Losses From Certified Acts Of Terrorism
- ◆ **BP 05 32 05 05** Exclusion Of Certified Acts And Other Acts Of Terrorism
- ◆ **BP 05 33 05 05** Exclusion Of Certified Acts Of Terrorism And Biological Or Chemical Acts Of Terrorism
- ◆ **BP 05 34 11 02** Limited Exclusion Of Acts Of Terrorism (Other Than Certified Acts Of Terrorism); Cap On Losses From Certified Acts Of Terrorism; Coverage For Certain Fire Losses
- ◆ **BP 05 35 11 02** Exclusion Of Acts Of Biological Or Chemical Terrorism; Cap On Losses From Certified Acts Of Terrorism; Coverage For Certain Fire Losses
- ◆ **BP 05 36 11 02** Exclusion Of Certified Acts And Other Acts Of Terrorism; Coverage For Certain Fire Losses
- ◆ **BP 05 37 11 02** Exclusion Of Certified Acts Of Terrorism And Biological Or Chemical Acts Of Terrorism; Coverage For Certain Fire Losses
- ◆ **BP 05 39 12 02** Nuclear, Biological Or Chemical Terrorism Exclusion (Other Than Certified Acts Of Terrorism); Cap On Losses From Certified Acts Of Terrorism
- ◆ **BP 05 40 12 02** Exclusion Of Certified Acts Of Terrorism And Other Nuclear, Biological Or Chemical Acts Of Terrorism

Related Filing(s)

Rules Filing BP-2008-RTOAP

Background

The Terrorism Risk Insurance Act (TRIA) of 2002 established a program (Terrorism Risk Insurance Program) within the Department of the Treasury, under which the federal government shares, with the insurance industry, the risk of loss from future terrorist attacks. Pursuant to Section 103(c) of the Act, all insurers providing insurance for applicable lines of business are required to participate in the program by making available coverage for insured losses resulting from an act of terrorism as defined by the Act (so-called certified acts coverage). The Terrorism Risk Insurance Program was extended for two years, until December 31, 2007, by the Terrorism Risk Insurance Extension Act of 2005, which incorporated various changes with respect to federal share of losses and affected lines of business. We responded in the past to each of these enactments, with filings of disclosure forms and various endorsements addressing the terrorism risk.

Current Environment

The federal Terrorism Risk Insurance Program has been revised and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2007, which incorporates various changes to the Program. Certain changes, summarized as follows, have an impact on ISO terrorism forms:

- ◆ Under Section 102(1)(A)(iv) of the Act, the definition of an act of terrorism (with respect to certification of such act) is revised by eliminating the criterion that the act be committed on behalf of a foreign person or foreign interest. As revised, the definition, in part, requires the act to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- ◆ Section 103(b)(3) of the Act requires disclosure of the existence of the \$100 billion cap on payments by insurers.
- ◆ Section 103(e)(2)(A) of the Act eliminates the provision asserting that Congress may take action to increase the \$100 billion cap in the event that insured losses exceed such cap; and Section 103(e)(2)(B) requires the Secretary of the Treasury to issue regulations for determining the pro rata share of insured losses to be paid under the Program (up to \$100 billion) when insured losses exceed \$100 billion.

With the revision to the definition of an act of terrorism (with respect to certification of such act), there is no longer a requirement that the act of terrorism be committed on behalf of a foreign person or foreign interest. However, in order for an act of terrorism to be certified under the Program, the act must be committed within the jurisdictional boundaries of the Program. Acts of terrorism that are committed outside the jurisdictional boundaries of the Program would not be eligible for certification under the Program and thus would not be subject to federal participation in losses. Prior to the enactment of the Reauthorization Act of 2007, the ISO "other acts of terrorism" endorsements were available to address acts of terrorism that were not certified acts of terrorism, including those acts committed outside the United States.

Explanation of Changes

Withdrawn Endorsements

The revised definition of terrorism with respect to certification, as outlined above, encompasses acts committed by any individual or individuals without regard to the involvement of a foreign interest. Thus, the scope of the revised definition is broadened. It will now encompass so-called domestic acts, provided such acts meet all other criteria for certification. In current ISO Businessowners

forms, the exclusions and limitations on "other acts" of terrorism (acts other than certified acts) are generally considered relevant primarily to the domestic terrorism exposure. In light of this, with the exception of BP 05 38 and BP 05 41, we are withdrawing the forms that provides exclusions and limitations on "other acts", including those which address both certified acts and "other acts". We are retaining (and revising) forms relating solely to certified acts, which were the subject of a recent filing, BP-2007-OTRP1.

Revised Endorsements

Since the ISO Businessowners Program provides liability coverage for certain worldwide exposures, we are revising certain terrorism endorsements to provide underwriters with a tool to exclude acts of terrorism committed outside the jurisdictional boundaries of the federal program for risks which have international exposures. Such acts do not meet the criteria of a certified act of terrorism under the federal Program and thus would not be subject to federal participation in losses. We are making the following changes to certain "other acts of terrorism" exclusions to limit the scope of what is considered an "other act of terrorism" and to reflect the changes to the Program discussed in the Current Environment section of this filing.

Limited Terrorism Exclusion (Other Than Certified Acts Of Terrorism); Cap On Losses From Certified Acts Of Terrorism Endorsement BP 05 38

This endorsement is revised to:

- ◆ Revise the title to read "Exclusion Of Other Acts Of Terrorism Committed Outside The United States; Cap On Losses From Certified Acts Of Terrorism", to reflect the revised scope of the other acts of terrorism exclusion.
- ◆ Revise the scope of the exclusion of other acts of terrorism to only apply to other acts of terrorism that are committed outside the United States (including its territories and possessions and Puerto Rico).
- ◆ Remove reference to the original enactment of TRIA, the Act "of 2002".
- ◆ Revise the definition of certified act of terrorism by deleting the text "acting on behalf of any foreign person or foreign interest", in line with the revision to Section 102(1)(A)(iv) of the Act. This definition is also revised to reflect the jurisdictional boundaries of the federal program.
- ◆ Revise the language expressing the existence and effect of the cap. As revised, the language explicitly refers to the amount of the cap and addresses allocation of insured losses, pursuant to Sections 103(e)(2)(A) and 103(e)(2)(B) of the Act.
- ◆ Indicate that the \$25 million reference in Paragraph A.1. of the endorsements will be valued in US dollars.

**Exclusion Of Certified Acts Of Terrorism And Other Acts Of Terrorism
Endorsement BP 05 41**

This endorsement is revised to:

- ◆ Revise the title to read "Exclusion Of Certified Acts Of Terrorism And Exclusion Of Other Acts Of Terrorism Committed Outside The United States", to reflect the revised scope of the exclusion pertaining to other acts of terrorism.
- ◆ Revise the scope of the exclusion pertaining to other acts of terrorism to only apply to other acts of terrorism that are committed outside the United States (including its territories and possessions and Puerto Rico).
- ◆ Remove reference to the original enactment of TRIA, the Act "of 2002".
- ◆ Revise the definition of certified act of terrorism by deleting the text "acting on behalf of any foreign person or foreign interest", in line with the revision to Section 102(1)(A)(iv) of the Act. This definition is also revised to reflect the jurisdictional boundaries of the federal program.
- ◆ Indicate that the \$25 million reference in Paragraph A.1. of the endorsements will be valued in US dollars.

State Applicability Of Current Forms

Refer to the appendix of this explanatory memorandum for current state applicability of the withdrawn forms addressed in this filing. State applicability depends on the status and requirements of the statutory Standard Fire Policy, if any, with respect to coverage for fire following terrorism.

Impact

When BP 05 38 is attached to a policy, the exclusion of terrorism provided for in the endorsement only applies to acts of terrorism committed outside of the jurisdictional boundaries of the federal program.

When BP 05 41 is attached to a policy, the exclusion of terrorism provided for in the endorsement applies to certified acts of terrorism and to acts of terrorism committed outside of the jurisdictional boundaries of the federal program.

There is the possibility of a residual exposure for acts of terrorism that are not considered certified acts. Our action in withdrawing the forms relating to "other acts" is not meant to suggest that there is no further role for exclusions and limitations on acts that are not certified. Rather, an individual insurer should consider its view on that exposure, and such factors as its individual underwriting philosophy and the profile of its book of business, to determine its business needs as they relate to this exposure.

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APPENDIX

Current Endorsements With Property Coverage Addressing "Other Acts" Of Terrorism (or combined Certified and Other Acts)		
<u>SFP States</u>	<u>Non-SFP States</u>	<u>Both SFP and Non-SFP States</u>
BP 05 34	BP 05 30	BP 05 28
BP 05 35	BP 05 31	BP 05 29
BP 05 36	BP 05 32	BP 05 39
BP 05 37	BP 05 33	BP 05 40

Statutory Standard Fire Policy (SFP) Status

SFP States: CA, CT*, GA*, HI, IA, IL, MA, ME, MO, NC, NJ, NY*, OR, RI, VA*, VI, WA, WI, WV

In these states, coverage is required for fire following terrorism (except that the SFP statutes in CT and VA enable an exclusion of fire following a certified act of terrorism).

Non-SFP States: AK*, AL, AR, AZ, CO, DC, DE, FL*, GU, ID*, IN, KS, KY, LA, MD, MI, MN, MS, MT, ND, NE, NH, NM, NV, OH, OK, PA, PR, SC, SD, TN, TX, UT, VT, WY

In these states, there is no statutory SFP, or the SFP contains an exception enabling exclusion of fire following terrorism. (In ID, terrorism is defined in the statute. In AZ, coverage for fire following terrorism is required for residential risks.)

***NOTE:** The states of AK, CT, FL, GA, ID, NY and VA are addressed in this chart only for the purpose of providing a countrywide overview of SFP status. These states will receive state-specific filings (with the exception of FL, GA and NY where "other acts" forms are not in effect) and thus we are not submitting this multi-state filing in these states.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**LIMITED TERRORISM EXCLUSION (OF OTHER THAN
CERTIFIED ACTS OF TERRORISM
COMMITTED OUTSIDE THE UNITED STATES); CAP
ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following provisions are added to the Businessowners Liability Coverage Form BP 00 06 and Section II – Liability of the Businessowners Coverage Form BP 00 03:

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of an "other act of terrorism" that is committed outside of the United States (including its territories and possessions and Puerto Rico), but within the "coverage territory". However, this exclusion applies only when one or more of the following are attributed to such act:

1. The total of insured damage to all types of property exceeds \$25,000,000 (valued in U.S. dollars). In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
2. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - a. Physical injury that involves a substantial risk of death; or
 - b. Protracted and obvious physical disfigurement; or

- c. Protracted loss of or impairment of the function of a bodily member or organ; or
3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
5. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, Paragraphs 1. and 2. describe the thresholds used to measure the magnitude of an incident of an "other act of terrorism" and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion will apply to that incident.

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Form to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage" or "personal and advertising injury" as may be defined in any applicable Coverage Form.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The criteria contained in the federal Terrorism Risk Insurance Act of 2002 sets forth the following criteria for a "certified act of terrorism" include the following:

a. The act resulted in aggregate insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

b. The act resulted in damage:

(1) Within the United States (including its territories and possessions and Puerto Rico); or

(2) Outside of the United States in the case of:

(a) An air carrier (as defined in Section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; or

(b) The premises of any United States mission; and

bc. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

3. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not a "certified act of terrorism" as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002. However, "other act of terrorism" does not include an act which meets the criteria set forth in Paragraph b. of the definition of "certified act of terrorism" when such act resulted in aggregate losses of \$5 million or less.

Multiple incidents of an "other act of terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.

C. In the event of an "other act of terrorism" that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this Coverage Form or Policy.

D. If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury. With respect to any one or more "certified acts of terrorism", we will not pay any amounts for which we are not responsible under the terms of the federal Terrorism Risk Insurance Act of 2002 (including subsequent acts of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM AND EXCLUSION OF OTHER ACTS OF TERRORISM COMMITTED OUTSIDE THE UNITED STATES

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following provisions are added to the Businessowners Liability Coverage Form **BP 00 06** and **Section II – Liability** of the Businessowners Coverage Form **BP 00 03**:

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising directly or indirectly, out of a "certified act of terrorism", or out of an "other act of terrorism" that is committed outside of the United States (including its territories and possessions and Puerto Rico), but within the "coverage territory". However, with respect to an "other act of terrorism", this exclusion applies only when one or more of the following are attributed to such act:

1. The total of insured damage to all types of property exceeds \$25,000,000 (valued in U.S. dollars). In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
2. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - a. Physical injury that involves a substantial risk of death; or

b. Protracted and obvious physical disfigurement; or

c. Protracted loss of or impairment of the function of a bodily member or organ; or

3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
5. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, Paragraphs 1. and 2. describe the thresholds used to measure the magnitude of an incident of an "other act of terrorism" and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion will apply to that incident.

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Form to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage" or "personal and advertising injury" as may be defined in any applicable Coverage Form.

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2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The criteria contained in the federal Terrorism Risk Insurance Act of 2002 sets forth the following criteria for a "certified act of terrorism" include the following:

a. The act resulted in aggregate insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

b. The act resulted in damage:

(1) Within the United States (including its territories and possessions and Puerto Rico); or

(2) Outside of the United States in the case of:

(a) An air carrier (as defined in Section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; or

(b) The premises of any United States mission; and

bc. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

3. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not a "certified act of terrorism" as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002.

Multiple incidents of an "other act of terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.

C. In the event of any incident of a "certified act of terrorism" or an "other act of terrorism" that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this Coverage Form or Policy.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS AND OTHER ACTS OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM; CAP ON COVERED CERTIFIED ACTS LOSSES

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

The Exception Covering Certain Fire Losses (Paragraph B.2.) applies to property located in the following state(s):				
State(s)				
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.				

A. The following definitions are added with respect to the provisions of this endorsement:

1. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The criteria contained in that Act for a "certified act of terrorism" include the following:

- a. The act resulted in aggregate losses in excess of \$5 million; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

2. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002.

B. Section I – Property is amended as follows:

1. The following exclusion is added:

LIMITED EXCLUSION OF CERTIFIED ACTS AND OTHER ACTS OF TERRORISM

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism" or an "other act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. But this exclusion applies only when one or more of the following are attributed to such act:

- a. The terrorism is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or

- b. Radioactive material is released, and it appears that one purpose of the terrorism was to release such material; or
- c. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical material; or
- d. Pathogenic or poisonous biological or chemical material is released, and it appears that one purpose of the terrorism was to release such material.

When this terrorism exclusion is made applicable in accordance with the terms of Paragraph **B.1.a.** or **B.1.b.**, the terrorism exclusion applies without regard to the Nuclear Hazard Exclusion in this Coverage Form.

2. Exception Covering Certain Fire Losses

The following exception to the Exclusion in **B.1.** above applies only if indicated and as indicated in the Schedule of this endorsement.

If a "certified act of terrorism" or an "other act of terrorism" excluded under Paragraph **B.1.** results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverages.

3. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the non-applicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Form, such as losses excluded by the War And Military Action Exclusion.

C. Section II – Liability is amended as follows:

1. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism" or an "other act of terrorism". However, this exclusion applies only when one or more of the following are attributed to such acts:

- a. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or

- b. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- c. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

2. The following definition is added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under this coverage form or any applicable endorsement and includes but is not limited to "bodily injury", "property damage" or "personal and advertising injury", as may be defined in this coverage form or any applicable endorsement.

3. In the event of any incident of a "certified act of terrorism" or an "other act of terrorism" that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this coverage form.

D. Section I – Property and Section II – Liability are amended as follows:

CAP ON CERTIFIED TERRORISM LOSSES

The following limitation applies to coverage for any one or more "certified acts of terrorism" that are not excluded by the terms of the exclusions in Paragraphs **B.1.** and **C.** and to any loss or damage (from a "certified act of terrorism") that is covered and to which the exception in Paragraph **B.2.** applies.

We will not pay any amounts for which we are not responsible under the terms of the Terrorism Risk Insurance Act of 2002 (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

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POLICY NUMBER:

BUSINESSOWNERS
BP 05 29 12 03

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATIONS OF COVERAGE FOR CERTIFIED ACTS AND OTHER ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

SCHEDULE PART I – Applicability Of Terrorism Sub-Limit (refer to Paragraph B.2.) – Property Coverage – Terrorism Sub-limit

Description Of Property Or Coverage	Terrorism Sub-Limit

SCHEDULE PART II – Exception: Non-applicability Of Terrorism Sub-Limit To Certain Fire Losses (refer to Paragraph B.3.) – Property Coverage

State(s)				

SCHEDULE PART III (refer to Paragraph C.2.) – Certified Acts And Other Acts Of \$ Terrorism Aggregate Limit – Liability And Medical Expenses Coverage

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Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

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A. The following definitions are added with respect to the provisions of this endorsement:

1. "Terrorism" means any act that qualifies as a "certified act of terrorism" or an "other act of terrorism".
2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The criteria contained in that Act for a "certified act of terrorism" include the following:
 - a. The act resulted in aggregate losses in excess of \$5 million; and
 - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
3. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002.

For the purpose of this endorsement, the term "other act of terrorism" will apply only to an incident in which the total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico and Canada exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions. Multiple incidents of "other acts of terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident.

B. Section I – Property is amended as follows:

1. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the non-applicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Form, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

2. Limitation Of Amount Of Coverage For Acts Of Terrorism

When coverage applies to loss or damage caused by "terrorism", the full Limit of Insurance on the affected property or coverage does not apply to such loss or damage. Instead, the following limitation applies to the loss or damage. The limitation applies even if another Covered Cause of Loss contributes concurrently or in any sequence to the loss or damage, except as otherwise provided in this endorsement.

The Terrorism Sub-Limit is the most we will pay for the total of all loss or damage (sustained under the coverage to which the Sub-Limit applies) caused by one or more acts of "terrorism" in an annual policy period. If losses from an act of "terrorism" do not exhaust the Terrorism Sub-Limit, then the balance of that Sub-Limit is available for losses from a later act(s) that occurs in the same annual policy period. If an act of "terrorism" begins during one annual policy period and ends during the following annual policy period, the only amount of coverage available is the Sub-Limit (or balance of it) applicable to the annual policy period in which such act began.

Amounts payable under a Coverage Extension, Additional Coverage or similar provision in the policy do not increase the Terrorism Sub-Limit.

3. Exception: Non-applicability Of The Terrorism Sub-Limit To Certain Fire Losses

The following exception applies only with respect to property located in the states indicated in Part II of the Schedule of this endorsement. The exception relates only to loss or damage caused by "terrorism".

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When covered direct loss or damage attributable to fire exceeds the amount of the Sub-Limit, we will pay the full amount of the fire loss, up to the Limit of Insurance on the affected property, subject to policy provisions including Deductible and Valuation. In that circumstance, the Limit of Insurance is the most we will pay for the total of all covered direct loss or damage by fire and any other effect of the "terrorism" and any other Covered Cause of Loss that contributes concurrently or in any sequence to the loss or damage.

When covered direct loss or damage attributable to fire is less than the Sub-Limit, then the Sub-Limit is the most we will pay for the total of fire and any other covered loss or damage.

This paragraph, **B.3.**, does not apply to insurance provided under Business Income and/or Extra Expense coverage. Therefore, when a Sub-Limit is shown for those coverages, the Sub-Limit for those coverages is the maximum recoverable regardless of whether fire is an effect of "terrorism".

4. Loss Payment

With respect to the coverage provided by this endorsement:

The section of the Loss Payment Property Loss Condition contained in this policy, which limits loss payment when the Limit Of Insurance for the lost or damaged property is less than 80% of the replacement cost at the time of loss, does not apply.

C. Section II – Liability is amended as follows:

1. Coverage provided by this insurance for "bodily injury", "property damage" or "personal and advertising injury", arising out of a "certified act of terrorism" or "other act of terrorism", is subject to the Certified Acts And Other Acts Of Terrorism Aggregate Limit as described in Paragraph **C.2.** of this endorsement.

2. The following are added to Paragraph D. Liability And Medical Expenses Limits Of Insurance:

Subject to Paragraph **D.4.** of the **Liability And Medical Expenses Limits Of Insurance**, as applicable, the Certified Acts And Other Acts Of Terrorism Aggregate Limit shown in the Schedule of this endorsement is the most we will pay for all:

a. "Bodily injury", "property damage" and medical expenses; and

b. "Personal and advertising injury"

arising out of all "certified acts of terrorism" and all "other acts of terrorism".

Paragraph **D.3.**, the Damage To Premises Rented To You Limit continues to apply to damages arising out of a "certified act of terrorism" and "other act of terrorism". Those limits will only be available if, and to the extent that, limits are available under the Certified Acts And Other Acts Of Terrorism Aggregate Limit.

D. Section I – Property and Section II – Liability are amended as follows:

CAP ON CERTIFIED TERRORISM LOSSES

With respect to any one or more "certified acts of terrorism", we will not pay any amounts for which we are not responsible under the terms of the Terrorism Risk Insurance Act of 2002 (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITED EXCLUSION OF ACTS OF TERRORISM (OTHER THAN CERTIFIED ACTS OF TERRORISM); CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

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This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

I

The following provisions are added to Businessowners Standard Property Coverage Form **BP 00 01**, Businessowners Special Property Coverage Form **BP 00 02** or **Section I – Property** of Businessowners Coverage Form **BP 00 03**:

A. The following definitions are added with respect to the provisions of this endorsement:

1. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The criteria contained in that Act for a "certified act of terrorism" include the following:
 - a. The act resulted in aggregate losses in excess of \$5 million; and
 - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
2. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002. However, "other act of terrorism" does not include an act which meets the criteria set forth in Paragraph **b.** of the definition of "certified act of terrorism", when such act resulted in aggregate losses of \$5 million or less.

B. The following exclusion is added:

EXCLUSION OF AN "OTHER ACT OF TERRORISM"

We will not pay for loss or damage caused directly or indirectly by an "other act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. But this exclusion applies only when one or more of the following are attributed to such act:

1. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
2. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials; or
3. The total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico and Canada exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions. Multiple incidents of "other acts of terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident.

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With respect to this Item **B.3.**, the immediately preceding paragraph describes the threshold used to measure the magnitude of an "other act of terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this exclusion will apply to that incident. When the exclusion applies to an "other act of terrorism", there is no coverage under this Coverage Form or Policy.

C. Cap On Certified Terrorism Losses

With respect to any one or more "certified acts of terrorism" under the federal Terrorism Risk Insurance Act of 2002, we will not pay any amounts for which we are not responsible under the terms of that Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

D. Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Form or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF ACTS OF BIOLOGICAL OR CHEMICAL TERRORISM; CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following provisions are added to Businessowners Standard Property Coverage Form **BP 00 01**, Businessowners Special Property Coverage Form **BP 00 02** or **Section I – Property** of Businessowners Coverage Form **BP 00 03**:

A. The following definitions are added with respect to the provisions of this endorsement:

1. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The criteria contained in that Act for a "certified act of terrorism" include the following:
 - a. The act resulted in aggregate losses in excess of \$5 million; and
 - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
2. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002. However, "other act of terrorism" does not include an act which meets the criteria set forth in Paragraph **b.** of the definition of "certified act of terrorism", when such act resulted in aggregate losses of \$5 million or less.

B. The following exclusion is added:

EXCLUSION OF AN "OTHER ACT OF TERRORISM"

We will not pay for loss or damage caused directly or indirectly by an "other act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. But this exclusion applies only when one or both of the following are attributed to such act:

1. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
2. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

C. Cap On Certified Terrorism Losses

With respect to any one or more "certified acts of terrorism" under the federal Terrorism Risk Insurance Act of 2002, we will not pay any amounts for which we are not responsible under the terms of that Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

D. Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Form or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS AND OTHER ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following provisions are added to Businessowners Standard Property Coverage Form **BP 00 01**, Businessowners Special Property Coverage Form **BP 00 02** or **Section I – Property** of Businessowners Coverage Form **BP 00 03**:

A. The following definitions are added with respect to the provisions of this endorsement:

1. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The criteria contained in that Act for a "certified act of terrorism" include the following:
 - a. The act resulted in aggregate losses in excess of \$5 million; and
 - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
2. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002.

B. The following exclusion is added:

EXCLUSION OF CERTIFIED ACTS AND OTHER ACTS OF TERRORISM

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism" or an "other act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. **But with respect to an "other act of terrorism", this exclusion applies only when one or more of the following are attributed to such act:**

1. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
2. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials; or
3. The total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico and Canada exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions. Multiple incidents of "other acts of terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident.

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With respect to this Item **B.3.**, the immediately preceding paragraph describes the threshold used to measure the magnitude of an "other act of terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this exclusion will apply to that incident. When the exclusion applies to an "other act of terrorism", there is no coverage under this Coverage Form or Policy.

C. Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Form or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM AND BIOLOGICAL OR CHEMICAL ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following provisions are added to Businessowners Standard Property Coverage Form **BP 00 01**, Businessowners Special Property Coverage Form **BP 00 02** or **Section I – Property** of Businessowners Coverage Form **BP 00 03**:

A. The following definitions are added with respect to the provisions of this endorsement:

1. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The criteria contained in that Act for a "certified act of terrorism" include the following:
 - a. The act resulted in aggregate losses in excess of \$5 million; and
 - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
2. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002.

B. The following exclusion is added:

EXCLUSION OF CERTIFIED ACTS AND OTHER ACTS OF TERRORISM

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism" or an "other act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. **But with respect to an "other act of terrorism", this exclusion applies only when one or both of the following are attributed to such act:**

1. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
2. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

C. **Application Of Other Exclusions**

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Form or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**LIMITED EXCLUSION OF ACTS OF TERRORISM (OTHER
THAN CERTIFIED ACTS OF TERRORISM); CAP ON
LOSSES FROM CERTIFIED ACTS OF TERRORISM;
COVERAGE FOR CERTAIN FIRE LOSSES**

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This endorsement modifies insurance provided under the following:

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BUSINESSOWNERS COVERAGE FORM

The following provisions are added to Businessowners Standard Property Coverage Form **BP 00 01**, Businessowners Special Property Coverage Form **BP 00 02** or **Section I – Property** of Businessowners Coverage Form **BP 00 03**:

A. The following definitions are added with respect to the provisions of this endorsement:

1. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The criteria contained in that Act for a "certified act of terrorism" include the following:

- a. The act resulted in aggregate losses in excess of \$5 million; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

2. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002. However, "other act of terrorism" does not include an act which meets the criteria set forth in Paragraph b. of the definition of "certified act of terrorism", when such act resulted in aggregate losses of \$5 million or less.

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B. The following exclusion is added:

**EXCLUSION OF AN "OTHER ACT OF
TERRORISM"**

We will not pay for loss or damage caused directly or indirectly by an "other act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. But this exclusion applies only when one or more of the following are attributed to such act:

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1. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or

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2. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials; or

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3. The total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico and Canada exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions. Multiple incidents of "other acts of terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident.

With respect to this Item B.3., the immediately preceding paragraph describes the threshold used to measure the magnitude of an "other act of terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this exclusion will apply to that incident. When the exclusion applies to an "other act of terrorism", there is no coverage under this Coverage Form or Policy.

C. Exception Covering Certain Fire Losses

If an "other act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the exception does not apply to insurance provided under Business Income and/or Extra Expense Additional Coverages.

D. Cap On Certified Terrorism Losses

With respect to any one or more "certified acts of terrorism" under the federal Terrorism Risk Insurance Act of 2002, we will not pay any amounts for which we are not responsible under the terms of that Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

E. Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Form or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF ACTS OF BIOLOGICAL OR CHEMICAL TERRORISM; CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM; COVERAGE FOR CERTAIN FIRE LOSSES

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This endorsement modifies insurance provided under the following:

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BUSINESSOWNERS COVERAGE FORM

The following provisions are added to Businessowners Standard Property Coverage Form **BP 00 01**, Businessowners Special Property Coverage Form **BP 00 02** or **Section I – Property** of Businessowners Coverage Form **BP 00 03**:

A. The following definitions are added with respect to the provisions of this endorsement:

1. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The criteria contained in that Act for a "certified act of terrorism" include the following:

- a. The act resulted in aggregate losses in excess of \$5 million; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

2. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002. However, "other act of terrorism" does not include an act which meets the criteria set forth in Paragraph **b.** of the definition of "certified act of terrorism", when such act resulted in aggregate losses of \$5 million or less.

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B. The following exclusion is added:

EXCLUSION OF AN "OTHER ACT OF TERRORISM"

We will not pay for loss or damage caused directly or indirectly by an "other act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. But this exclusion applies only when one or both of the following are attributed to such act:

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1. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or

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2. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

C. Exception Covering Certain Fire Losses

If an "other act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the exception does not apply to insurance provided under Business Income and/or Extra Expense Additional Coverages.

D. Cap On Certified Terrorism Losses

With respect to any one or more "certified acts of terrorism" under the federal Terrorism Risk Insurance Act of 2002, we will not pay any amounts for which we are not responsible under the terms of that Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

E. Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Form or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS AND OTHER ACTS OF TERRORISM; COVERAGE FOR CERTAIN FIRE LOSSES

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following provisions are added to Businessowners Standard Property Coverage Form **BP 00 01**, Businessowners Special Property Coverage Form **BP 00 02** or **Section I – Property** of Businessowners Coverage Form **BP 00 03**:

A. The following definitions are added with respect to the provisions of this endorsement:

1. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The criteria contained in that Act for a "certified act of terrorism" include the following:
 - a. The act resulted in aggregate losses in excess of \$5 million; and
 - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
2. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002.

B. The following exclusion is added:

EXCLUSION OF CERTIFIED ACTS AND OTHER ACTS OF TERRORISM

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism" or an "other act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. **But with respect to an "other act of terrorism", this exclusion applies only when one or more of the following are attributed to such act:**

1. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
2. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials; or
3. The total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico and Canada exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions. Multiple incidents of "other acts of terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident.

With respect to this Item **B.3.**, the immediately preceding paragraph describes the threshold used to measure the magnitude of an "other act of terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this exclusion will apply to that incident. When the exclusion applies to an "other act of terrorism", there is no coverage under this Coverage Form or Policy.

C. Exception Covering Certain Fire Losses

If a "certified act of terrorism" or an "other act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense Additional Coverages.

With respect to fire resulting from any one or more "certified acts of terrorism" under the federal Terrorism Risk Insurance Act of 2002, we will not pay any amounts for which we are not responsible under the terms of that Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

D. Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Standard Property Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM AND BIOLOGICAL OR CHEMICAL ACTS OF TERRORISM; COVERAGE FOR CERTAIN FIRE LOSSES

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This endorsement modifies insurance provided under the following:

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BUSINESSOWNERS COVERAGE FORM

The following provisions are added to Businessowners Standard Property Coverage Form **BP 00 01**, Businessowners Special Property Coverage Form **BP 00 02** or **Section I – Property** of Businessowners Coverage Form **BP 00 03**:

A. The following definitions are added with respect to the provisions of this endorsement:

1. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The criteria contained in that Act for a "certified act of terrorism" include the following:
 - a. The act resulted in aggregate losses in excess of \$5 million; and
 - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
2. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002.

B. The following exclusion is added:

EXCLUSION OF CERTIFIED ACTS AND OTHER ACTS OF TERRORISM

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism" or an "other act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. **But with respect to an "other act of terrorism", this exclusion applies only when one or both of the following are attributed to such act:**

1. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
2. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

C. **Exception Covering Certain Fire Losses**

If a "certified act of terrorism" or an "other act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense Additional Coverages.

With respect to fire resulting from any one or more "certified acts of terrorism" under the federal Terrorism Risk Insurance Act of 2002, we will not pay any amounts for which we are not responsible under the terms of that Act (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

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D. Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Form or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM EXCLUSION (OTHER THAN CERTIFIED ACTS OF TERRORISM); CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

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This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following provisions are added to the Businessowners Liability Coverage Form **BP 00 06** and **Section II – Liability** of the Businessowners Coverage Form **BP 00 03**:

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of an "other act of terrorism" that is not a "certified act of terrorism". However, this exclusion applies only when one or more of the following are attributed to such act:

1. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
2. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
3. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Form to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage" or "personal and advertising injury" as may be defined in any applicable Coverage Form.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The federal Terrorism Risk Insurance Act of 2002 sets forth the following criteria for a "certified act of terrorism":

- a. The act resulted in aggregate losses in excess of \$5 million; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

3. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002. However, "other act of terrorism" does not include an act which meets the criteria set forth in Paragraph **b.** of the definition of "certified act of terrorism" when such act resulted in aggregate losses of \$5 million or less. Multiple incidents of an "other act of terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.

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C. In the event of an "other act of terrorism" that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this Coverage Form or Policy.

D. With respect to any one or more "certified acts of terrorism", we will not pay any amounts for which we are not responsible under the terms of the federal Terrorism Risk Insurance Act of 2002 (including subsequent acts of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM AND OTHER NUCLEAR, BIOLOGICAL OR CHEMICAL ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following provisions are added to the Businessowners Liability Coverage Form **BP 00 06** and **Section II – Liability** of the Businessowners Coverage Form **BP 00 03**:

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism" or an "other act of terrorism". However, with respect to an "other act of terrorism", this exclusion applies only when one or more of the following are attributed to such act:

1. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
2. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
3. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Form to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage" or "personal and advertising injury" as may be defined in any applicable Coverage Form.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The federal Terrorism Risk Insurance Act of 2002 sets forth the following criteria for a "certified act of terrorism":

- a. The act resulted in aggregate losses in excess of \$5 million; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

3. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002. Multiple incidents of an "other act of terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.

- C. In the event of any incident of a "certified act of terrorism" or an "other act of terrorism" that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this Coverage Form or Policy.